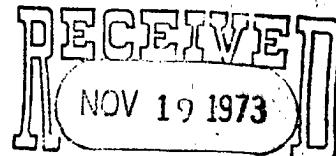


# Capital Dredge & Dock Corp.

Marine Contractors

P. O. BOX 550  
945 BROADWAY  
LORAIN, OHIO 44052  
Telephone 216/244-1724

Sept. 12, 1973



Department of the Army  
Corps of Engineers  
Kewaunee Project Office  
Kewaunee, Wisconsin

Attention: Mr. R. I. Mundelius, Project Engineer

Re: Cont. No. DACW23-73-C-0073  
Value Engineering Proposal #1

Dear Sir:

Per Paragraph #64 of the General Provisions of the Specifications on this project, we are submitting for your consideration and approval the following Value Engineering Proposal.

Item 2-A of the Bid Price Schedule, calls for 60,000 c.y. of material to be clamshell dredged and hauled to a Government supplied disposal area which is approximately five miles down river. Our proposal is to use a Contractor supplied disposal area and hydraulically dredge the 60,000 c.y.'s into an area less than 6,000 feet from the subject Turning Basin.

The apparent advantages of this proposal are:

1. Longer life for Government furnished disposal area.
2. Elimination of Bridge openings which would tie up traffic every two (2) hours, so dump scows could go through Bridges of which there are three (3) Auto and three (3) Railroad Swing Bridges.
3. Elimination of traffic hazard to navigation.
4. Enable this portion of the contract to be done in approximately 20 days - Hydraulic versus Dump scow and Clam operation.
5. Enables us to do a better and more efficient job. (go to maximum on limits and accept additional yardage outside the original project area.) See Change Modification #0001.
6. Cost savings to the Government would be 50% of approximately \$50,160.00 or \$25,080.00 computed as follows:

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Turning Basin

|                    |                   |
|--------------------|-------------------|
| Contract Yardage   | 60,000 c.y.       |
| Modification #0001 | <u>6,000 c.y.</u> |

|                       |                               |              |
|-----------------------|-------------------------------|--------------|
| Total Yardage pre job | 66,000 c.y. @ \$4.00 per c.y. | \$264,000.00 |
|-----------------------|-------------------------------|--------------|

Total yardage in Turning Basin per latest sounding computations taken August 15th and 16th of this year, by Capital Dredge and Dock Corp., and Mr. Red Pederson of the Kewaunee Office of the Corps of Engineers, shows there are 83,600 c.y. including the yardage covered under Change Modification #0001.

|                       |                    |
|-----------------------|--------------------|
| Total job Yardage     | 83,600 c.y.        |
| Less: pre job yardage | <u>66,000 c.y.</u> |

|                              |                               |                  |
|------------------------------|-------------------------------|------------------|
| Excess Turning Basin yardage | 17,600 c.y. @ \$4.00 per c.y. | <u>70,400.00</u> |
|------------------------------|-------------------------------|------------------|

|                                      |              |
|--------------------------------------|--------------|
| Original Contract Cost to Government | \$334,400.00 |
|--------------------------------------|--------------|

We propose as follows, under Value Engineering Proposal:

Turning Basin

|                    |                   |
|--------------------|-------------------|
| Contract Yardage   | 60,000 c.y.       |
| Modification #0001 | <u>6,000 c.y.</u> |

|                       |                               |              |
|-----------------------|-------------------------------|--------------|
| Total pre job yardage | 66,000 c.y. @ \$3.40 per c.y. | \$224,400.00 |
|-----------------------|-------------------------------|--------------|

|                              |                               |                  |
|------------------------------|-------------------------------|------------------|
| Excess Turning Basin yardage | 17,600 c.y. @ \$3.40 per c.y. | <u>59,840.00</u> |
|------------------------------|-------------------------------|------------------|

|                                  |              |
|----------------------------------|--------------|
| Total Value Engineering Proposal | \$284,240.00 |
|----------------------------------|--------------|

|                                      |              |
|--------------------------------------|--------------|
| Original Contract Cost to Government | \$334,400.00 |
|--------------------------------------|--------------|

|   |                     |
|---|---------------------|
| Contractor furnished Disposal Area cost | <u>\$284,240.00</u> |
|---|---------------------|

|               |              |
|---------------|--------------|
| TOTAL SAVINGS | \$ 50,160.00 |
|---------------|--------------|

|  |              |
|--|--------------|
| Net Savings to Government (50% of total) | \$ 25,080.00 |
|--|--------------|

7. Capital Dredge & Dock Corp. will hold the Government harmless from any costs which may occur through shut-down by any of the Agencies in Paragraph 16, Spoil Area of the invitation for bids.

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There are no apparent disadvantages, and we cannot foresee any collateral costs to the Government relating to the approval of the Contractor supplied disposal area.

Trusting this proposal meets with your approval and that we may continue to be of service, I remain;

Very truly yours,



W. A. Wensink,  
President

WAW: jm

CC: Corps of Engineers, Chicago District  
Jack Seeling